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Philosophic Influences, covers only six pages. Probably, however, it is only fair to the author to say that his work is intended to be interpretative and that he assumes a general knowledge of the literature on the part of the reader.

Two points of particular interest may be noted. The first is the discussion in the second chapter of the relation of the struggle for religious liberty to the struggle for economic liberty. That the first was entirely anterior to the second and apart from it he does not hold. On the other hand, although emphasizing the fact that "the achievement of religious freedom was the necessary preliminary to all other occupations, especially to industrial activity," he is far from adopting the economic interpretation which would make the religious struggle a necessity due solely to industrial needs. In the second place, he attempts briefly in his last chapter to show the great change which has taken place in recent years in Great Britain in the way of a reaction from the principles of the old liberalism as shown to some extent by expressions of opinion, but still more by measures enacted or advocated.

Dr. Levy has been accused by some reviewers of exaggerating the extent of this change and the complete decay of the old ideas. Such critics must have failed to read his last page. In view of this fact it is worth while to quote his two last sentences. After a summary of what economic liberalism taught England, he says:

To other nations these and other characteristics of Liberal culture are still novel and unfamiliar. The Englishman will not lose them even under a new social system, for they have become an integral part of his national character.

Such a conclusion from a foreigner and after such a careful study is of distinct interest and will be most heartening to many. It also indicates that the monograph is primarily not a study of the working out of the ideal of liberalism in detail, but essentially an attempt to show the effect of a great movement on national character.

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The Economic Synthesis. A Study of the Laws of Income. By
ACHILLE LORIA. Translated from the Italian by M. EDEN
PAUL. (London: George Allen and Company, Ltd. 1914.
Pp. xii, 368. 10s. 6d.)

The book before us is a well-executed translation and abridg-

ment of a work which sums up the researches of more than thirty years and is regarded by the author as "the complement and theoretic crown" (preface) of all his earlier writings. In this work Professor Loria proposes to give an inductive synthesis. He proposes to extract from the economic forms which have appeared successively in history "the quid common to them all" (p. xii)—"a true general law . . . which shall subsume the common elements in the economic phenomena of all times" (p. 5).

But the actual performance is very different. We are given, rather, a brilliant focusing, upon economic evolution, of the essential elements of Marxian doctrine masked in a new terminology. The study is marked by unity of design, brilliancy of analysis, and by an amazing wealth of historical and statistical illustration. The materialistic interpretation of history, the labor theory of production, the distinction between necessary value (subsistence) and surplus value (income), exploitation, class struggle, increasing misery, cataclysm, and the final birth of "a perfectly elastic or indefinitely expandible" economic system "within which the productive forces can develop freely and without encountering any obstacle" (p. 356) are all here. Economic evolution is conceived as a logical process. Isolated labor, coercively associated labor: slavery, serfdom, wagedom, and, finally, freely associated labor: freedom—such is the historical succession of economic forms.

In the first chapter Professor Loria presents his thesis that "income" constitutes the economic synthesis, "concealing beneath its undifferentiated surface the most diverse economic entities, the most diverse social forms" (p. 32). He maintains that "income" is the one universal economic category, "the outcome of a fact common to all ages—the fact of production" (p. 32). He finds in the desire for "income" the motive force to which all economic development is traceable.

The definition of income is, therefore, fundamental to Professor Loria's analysis. He uses the term arbitrarily to designate "the excess of product above the individual requirements of the worker for his subsistence" (p. 8). He emphasizes the contrast between "income," thus defined, and subsistence. While the latter is regarded as "an initial and quasi-fixed datum which may be considered as a postulate of production" (pp. 38, 39), the former "comes into existence in proportion to the degree to which labor is associated" (p. 39). "It is the most precise measure of the conditions of civilization and well-being of the population"

(p. 39). Of vital importance is the contrast between "income" and subsistence in distribution, "as, in many economic phases, income is received by the members of different classes from those who receive subsistence," the workers, (p. 39). Income is "undifferentiated" or "differentiated" according as it is received by the worker in addition to subsistence, or by members of other classes, such as slave-owners, feudal lords, landowners, capitalists, or entrepreneurs.

Two assumptions from the classical economists, first, the tendency of population to increase, and, second, the law of diminishing returns, supply the conditions that introduce and perpetuate the struggle for income. Professor Loria accepts the Malthusian doctrine, and finds in the tendency of population to encroach upon subsistence the agency that makes possible and necessary the evolution of economic forms. To quote from the author's own summary (p. 355):

Human labor traverses three principal stages. In the first stage, when the productivity of the soil is exuberant and when isolated labor produces an excess over the subsistence of the producer, isolated labor prevails, and constitutes the basis of the prehistoric age.

The worker receives both subsistence and "income."

In the second stage, when the fertility of the soil has diminished, and when isolated labor produces no more than the subsistence of the laborer, coercively associated labor prevails, and this period embraces the whole of recorded history, throughout which there occur the distressing and unceasing vicissitudes of an unstable equilibrium.

In this stage income is differentiated from subsistence; and, while the worker receives subsistence, "income" is secured by the members of other classes. Each form of coercively associated labor, in succession, after having endowed labor with a productivity superior to that of isolated labor, begins gradually to decline in productivity, and finally dissolves, to be sooner or later reconstituted in a form imposing less rigid restrictions upon the efficiency of labor. Thus we have in succession the slave-economy, the feudal-economy, and the wage-economy. Finally, when the productivity of coercively associated labor has attained its maximum, and when the productivity of the soil has yet further diminished and "isolated labor produces less than subsistence," there will arise the free association of labor, since this alone offers an advance upon the form which has to be replaced. This "will form the foundation of a state of final equilibrium," and constitutes the third and final stage. While "differentiated income"

characterizes the coercive association of labor, "undifferentiated income," which characterized isolated labor, will also of necessity mark the final form of economy. In other words, the worker will receive the entire net product—subsistence plus "income." A statement of the essential economic law concludes the book.

Professor Loria's book contains no surprises for those who are acquainted with his earlier writings. He set himself a difficult task and has brilliantly handled it. He is to be commended for undertaking what he rightly believes to be, at the present moment, the most essential object of economic study. The student must look elsewhere, however, for an inductive economic synthesis.

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